

**MINUTES OF THE
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT
INTERIM COMMITTEE**

Wednesday, July 15, 2015 – 1:15 P.M. – Room 30 House Building

Members Present:

Sen. Scott K. Jenkins, Senate Chair
Sen. Allen M. Christensen
Sen. Margaret Dayton
Sen. Peter C. Knudson
Sen. Evan J. Vickers
Rep. Melvin R. Brown
Rep. Scott H. Chew
Rep. Jack R. Draxler
Rep. Stephen G. Handy
Rep. Mike K. McKell
Rep. Justin J. Miller
Rep. Michael E. Noel

Rep. Kraig Powell
Rep. Douglas V. Sagers
Rep. Mike Schultz

Members Absent:

Sen. Jani Iwamoto
Rep. Susan Duckworth
Rep. Lee B. Perry, House Chair

Staff Present:

Mr. J Brian Allred, Policy Analyst
Ms. RuthAnne Frost, Associate General Counsel
Ms. Katie LeFevre, Legislative Assistant

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.leg.utah.gov.

1. Committee Business

Chair Jenkins called the meeting to order at 1:15 p.m. Sen. Iwamoto, Rep. Duckworth, and Rep. Perry were excused from the meeting.

MOTION: Rep. Handy moved to approve the minutes of the June 17, 2015, meeting. The motion passed unanimously with Rep. McKell absent for the vote.

2. Energy Report/Review of Energy Policy

Mr. Cody Stewart, Governor's Energy Advisor, explained the history and responsibilities of the Governor's Office of Energy Development. He discussed how the trends in oil prices, coal, and solar power affect energy in Utah. He informed the committee of issues the office is currently monitoring.

Dr. Laura Nelson, Executive Director, Governor's Office of Energy Development, explained that the office is working to address market issues, trends, and policies. She identified recent transportation changes to improve air quality and the future role of buildings in improving air quality. Dr. Nelson talked about recent actions by the Environmental Protection Agency that affect energy policy. She said that infrastructure is critical to achieve energy objectives. Dr. Nelson discussed the energy industry in Utah and referred to the publication "Energy and Energy-Related Mining in Utah."

Mr. Stewart stressed the need for Utah to continue to be perceived as a pro energy state and continue to fight federal overreach. He also suggested that any state energy policy changes should be thoughtful and deliberate, based on the current difficulty of federal regulations.

Dr. Nelson explained how some energysaving resources, such as solar panels on homes, disrupt existing energy distribution, infrastructure, and fixed costs. She informed the committee that the office is working with the Public Service Commission to address this issue.

Mr. Stewart strongly suggested that the committee consider clarifying portions of 2015 General Session S.B. 216, "High Cost Infrastructure Tax Credits," in a special session. He said that the Legislature should consider whether or not the Office of Energy Development has the resources to implement the requirements. Rep. Handy informed the committee that Sen. Okerlund is working on this issue.

Mr. Stewart and Dr. Nelson answered questions from the committee about solar production, coal, Environmental Protection Agency actions, drilling permits, and natural gas vehicles. Chair Jenkins requested Mr. Stewart send a quarterly report of permits and projections from the Bureau of Land Management to the committee.

Mr. Stewart recommended that the Legislature not pass legislation like 2015 General Session H.B. 285, "Building Code Review and Adoption Amendments," without giving the 2015 International Building Code full procedural consideration. He explained that the Salt Lake Chamber of Commerce also agrees with their recommendation. Chair Jenkins assigned Rep. Schultz to look at the 2015 International Building Code and Rep. Schultz agreed to the assignment.

3. Energy Producer States' Agreement Report

Rep. Handy addressed the committee. He talked about the formation of the Energy Producing States Coalition and its goals. He also reported on the organization's meetings, past work, and current efforts.

Chair Jenkins shared his experiences and insights about the organization.

4. Air Quality Report

Mr. Ari Bruening, Chief Operating Officer, Envision Utah, spoke on behalf of Mr. Robert J. Grow, President, Envision Utah, who was unable to attend.

Mr. Bruening informed the committee of various air quality survey results. He explained that people are specifically concerned about the health risk of poor air quality and feeling trapped inside when air quality is low. He discussed that Envision Utah projects that Utah will comply with the federal standards for air quality, but eventually will reach noncompliance by 2050, due to population growth. He expounded on what actions would be needed to meet federal air quality standards in 2050.

Mr. Bruening answered questions from the committee about outreach, negative information, wood burning, and data accuracy. Sen. Dayton expressed her concern about promoting negative information, and Mr. Bruening committed to promoting positive information about air quality improvements.

Mr. Bryce Bird, Director, Division of Air Quality, addressed the committee. He explained that Utah experiences good air quality and only exceeds current federal health standards about 5% of the year. He discussed air pollutants, air quality, and pollution sources. He said during the summer, in certain parts of the state, 97% of air pollution comes from sources outside the state of Utah.

Mr. Bird explained the negative health impacts of inversions and cited improvements made since 1960. He identified the pollutants monitored by the Division of Air Quality and described the improving air quality trend in Utah.

Mr. Bird said he would share with the committee a study he had reviewed which showed a strong correlation between air pollution and heart attacks.

Mr. Bird informed the committee that changing federal standards make the division's work challenging. He told the committee that air quality monitoring stations are in high demand throughout the state. He thanked the committee and Legislature for increased funding and shared the impacts of those funds. He informed the committee of current research efforts and projections for clean air.

Mr. Bird answered questions from the committee about air quality standards, pollution sources, the Environmental Protection Agency, and air quality trends.

Mr. Todd Bingham, President, Utah Manufacturers Association, acknowledged the complexity of the air quality issue and spoke about the efforts of companies to improve air quality. He discussed emerging technologies and economic development.

5. Other Items/Adjourn

MOTION: Sen. Christensen moved to adjourn the meeting. The motion passed unanimously with Sen. Vickers and Rep. Schultz absent for the vote.

Chair Jenkins adjourned the meeting at 2:57 p.m.